

**MINUTES OF A MEETING  
KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION  
BOARD OF DIRECTORS**

**November 28, 2018**

**Opening of Meeting:**

1. A regular meeting of the Board of Directors, Kentucky Workers' Compensation Funding Commission was held on November 28, 2018, in the Commission's conference room, located at 42 Mill Creek Park, Frankfort, Kentucky. Madam Chair Judy Long called the meeting to order.
2. Ms. Angela Calloway announced the meeting will be recorded in accordance with Kentucky Revised Statute 61.835.
3. Madam Chair Long verified the press notice and asked for a roll call.

**Directors Present:**

4. Judy Long, Self-Insured Employers Representative  
Timothy Densler, Labor Representative  
David Dickerson, Acting Secretary, Labor Cabinet  
Ryan Barrow, Designee for Secretary William Landrum, Finance & Administration Cabinet  
Katie Smith, Designee for Secretary Terry Gill, Cabinet for Economic Development

**Others Present:**

5. Reuben Jones, Executive Director, KWCFC  
Louie Hord, Director of Fiscal Operations, KWCFC  
Lisa King, Director of Audit and Collections, KWCFC  
Olivia Orrender, Audit Review Manager, KWCFC  
Angela Calloway, Fiscal Services Officer, KWCFC  
Ryan Robinson, Administrative Services Officer, KWCFC  
Michael Swansburg, Deputy Secretary/General Counsel, Labor Cabinet  
Charlie Donovan, Special Fund, Department of Workers' Claims  
Robert Swisher, Commissioner, Department of Workers' Claims  
David Rogan, Conning Inc.  
Jon Stewart, KEMI  
Dustin Miller, Government Strategies, AIG  
Ed O'Daniel, Attorney  
Michael Merrick, Attorney

**Approval of Minutes:**

6. Mr. Ryan Barrow made a motion to approve the September 26, 2018 Regular Meeting Minutes. Secretary David Dickerson seconded the motion. Motion carried.

**Oath of Office:**

7. Madam Chair Judy Long issued the Oath of Office to newly appointed Board member, Timothy Densler.

**Executive Director Update:**

8. Mr. Reuben Jones updated the Board on the regulation and 2019 assessment rates. He reported the Commission received questions on the regulation. After modifications, under advice from counsel, they are scheduled to be heard by the Administrative Regulation Review Subcommittee on December 11, 2018.
9. Mr. Jones stated Senator Stivers' office was briefed regarding the 2019 assessment rates and he is very pleased with the results. Unless there is some action by the General Assembly, the new rates will be effective January 1, 2019.

**Coal Workers' Pneumoconiosis Fund Liability Update:** Jon Stewart

10. Mr. Jon Stewart provided an update on the Coal Workers' Pneumoconiosis Liability.
11. He stated things are going very well and he will keep the Board updated.

**Financial Report:** Louie Hord (report on file for referral)

12. Mr. Louie Hord reviewed the year to date budget versus actual expenses for KWCFC, the year to date internal financial statements, and fiscal year to date interagency transfers made by KWCFC for the period ending October 31, 2018.
13. Ms. Katie Smith made the motion to accept the financial reports as presented to the Board. Mr. Ryan Barrow seconded the motion. Motion carried.

**Investment Report:** David Rogan, Conning, Inc. (report on file for referral)

14. Mr. David Rogan presented an update on the quarterly portfolio review, economic and capital market outlook and portfolio reports through November 26, 2018.
15. Mr. Ryan Barrow made the motion to accept the Investment Report as presented by Conning. Ms. Katie Smith seconded the motion. Motion carried.

**Audit & Collections Report:** Lisa King (report on file for referral)

16. Ms. Lisa King presented an update on the number of audits ongoing and completed.
17. Ms. King reported on Audits in Protest, Final Audit Findings and Self-Insured Audit Assignment Findings.
18. Ms. Katie Smith made the motion to accept the Audit and Collections Report as presented. Mr. Timothy Densler seconded the motion. Motion carried.

**Executive Session:**

19. Madam Chair Long asked for a motion to go into Executive Session under KRS 61.810 (1) (c), (f) and (j) to discuss litigation, personnel, and penalty waivers.
20. Mr. Ryan Barrow made the motion to go into Executive Session. Secretary David Dickerson seconded the motion. Motion carried.

**Open Session:**

21. Secretary David Dickerson made the motion to return to open session. Mr. Timothy Densler seconded the motion. Motion carried.

**Other Business:**

**Litigation Update**

22. Ms. Lisa King reported there are currently audits in protest and they are going through the litigation process.

**Contract Update**

23. Mr. Louie Hord reported the Commission issued a Request for Proposal (RFP) for legal services but no responses were received.

**Audit Software Update**

24. The Commission is in the process of securing the Audit Software Program. Negotiations are expected to occur in December.

**New Business:**

35. No new business.

**Adjournment:**

36. Ms. Katie Smith made a motion to adjourn. Mr. Ryan Barrow seconded the motion. Motion carried.

  
Chairman of the Board